RAJYA SABHA

Friday, the 7th August, 1987/16 Sravana, 1909 (Saka)

The House met at eleven of the clock, The Deputy Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

Rural Price Index

*161. SHRI CHIMANBHAI MEHTA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government are considering any proposal for the fixation of a rural price index, if so, what are the details thereof;

(b) whether Government have received any proposal in this regard and if so, what are the details thereof; and

(c) what steps or package of schemes Government are considering to ensure compensatory prices to farmers for their produce keeping in view the cost of the various agrarian inputs?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): (a) and (b) No, Madam.

(c) Procurement/minimum support prices are fixed for principal crops on a year to year basis taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP), and the views of the State Governments.

While recommending procurement/support prices, the CACP, *inter alia*, takes into account costs of production including those of inputs and also provides a reasonable margin of profit to give incentive to farmers for investment and adoption of improved technology.

SHRI CHIMANBHAI MEHTA: The hon. Minister has answered that they are not considering fixation of rural price index. But the reasons are not given why they are not considering. The rural India is the biggest portion of India. I do not know how non-consideration of this is justified. Now, they have said in one place that the Agricultural Prices Commission takes into account the input costs and other things. But that is done once in a year. Consumer price index comes every month. There are several price indices that come every month. The rural price index does not mean only inputs in agriculture. Agricultural workers are also living there. It seems that while replying to my question a comprehensive view has not been kept in view. Therefore, I again ask why they are not considering it in view of the proposition that they have made that there is a requirement of rural price index. If you say that this is not required at all, then in my next supplementary I will ask why this is the reply.

SHRI YOGENDRA MAKWANA: Madam, these price indices are declared by various organisations and Ministries. Particularly the consumer price index is to be looked into by the Ministry of Finance and they in their wisdom do not feel at present that it is necessary to declare a price index for the rural areas. Of course, there are wholesale price indices, there is the consumer price index and there is the price index for agricultural labourers which is for the rural areas only. There is the consumer price index for industrial labourers also. There is the consumer price index for non-manual workers of the urban areas.

SHRI CHIMANBHAI MEHTA: By implication they say that it is the Finance Ministry that comes in the way. But what is the job of the Agriculture Ministry? May I also know whether repeatedly the sentiments expressed in this House would also be put forward to them?

SHRI YOGENDRA MAKWANA: The Agriculture Ministry has to deal with agricultural commodities, particularly about the production of agricultural commodities and fixation of the prices of agricultural commodities is looked after by the Ministry of Agriculture. So far as the production is concerned, we are looking after it. But so far as the prices are concerned, of agricultural production, the CACP are looking into the whole matter. So far as the consumer price index in the rural areas is concerned, as I said, there is the consumer price index for the rural labourers, particularly agricultural labourers. Madam, if it is necessary, the Finance Ministry can decide about it.

श्री राम चन्द्र विकल : मैं सबसे पहले माननीय मंत्री से जी यह जानन चाहता हूं कि प्रश्न के उत्तर में जो उन्होंने "जी नहीं" कहा है उसके कारण जानना चाहता हूं ? दूसरा प्रश्न मेरा यह है कि आप कृषि लागत मूल्य आयोग के आधार पर और राज्य सरकारों की सिफारिशों के आधार पर किसानों की लागत और मूल्य तय करते हैं तो मैं यह जानना चाहता हूं कि यह कृषि मूल्य लागत आयोग कब से बना है और इसने कितनी बार सिफारिशें की हैं ? मैं यह भी जानना चाहता हूं कि कौन-कौन से इसके सदस्य हैं ? राज्य सरकारों से आई हुई सिफारिशों का सक्षिप्त विवरण, किसी एक या दो राज्यों का बता सकेंगे कि उन्होंने क्या-क्या सिफारिशें की हैं ?

श्री योगेन्द्र मकवाणा : जितनी भी सिफारिशें आती हैं उसे सी० ए० सी० पी० की रिपोर्ट में प्रकाशित किया जाता है। यह रिपोर्ट पार्लियामेंट लाइब्रेरी में रखी है । आनरेबल मैम्बर को अगर देखना हो कि राज्य सरकारों ने क्या कहा है; वह रिपोर्ट देख सकते हैं । मेरे पास अभी रिपोर्ट नहीं है क्योंकि यह क्वेश्च न करल प्राइस इंडेक्स के बारे में था।

श्री राम चन्द्र विकल : आपने देखी है । इसलिए आप ही बता दें ।

श्री योगेन्द्र मकवाणा : मेरे पास रिपोर्ट नहीं है । वह पार्लियामेंट की लाइब्रेरी में है, वहां आप देखें लें ...(व्यवधान)...कल आप मुझसे मिलना, मैं आपको बता दूंगा ।

उपसभापति : अभी उनके पास रिपोर्ट है नहीं । बाद में बता देंगे ।

श्री रामचन्द्र विकल : मैंने यह भी पूछा था कि कृषि लागत मूल्य आयोग के मैम्बर कौन-कौन हैं ?

SHRI BIR BHADRA PRATAP SINGH: Madam, the question of consumer price index is totally irrelevant to the present question and the hon. Minister should not try to confuse between the summum bonum of the question, *i.e.* the compensatory price, having all the time in mind the minimum support price. The minimum support price is only to protect the farmers so that they may not be compelled to make distress sale. The question is how to compensate the farmers in view of the rising cost of the inputs. The Minister must keep in mind not the big farmers or the kulaks, but the middle farmers and the small farmers. May I ask him how this procurement price or the support price is taken into account as the cost of production including the inputs and also a reasonable margin of profit to the farmers on the basis of the principle which is given in the reply?

SHRI YOGENDRA MAKWANA: Madam, while calculating the cost of agricultural products, all inputs are taken into consideration. It is wrong to say that it is not remunerative price. The prices that are fixed are remunerative prices. A little bit of margin of profit is also there. It is added to the total cost of production. It is called 'support price' because it supports the price at a remunerative level and not at the bare minimum level of cost. If the hon.

Members are interested, I can give the items which are included. These are the values which are taken into consideration: value of hired human labour; value of owned bullocks; value of hired bullock, labour or machinery; value of owned machinery and labour; value of seeds, insecticides and pesticides, value of manure and chemical fertilisers, depreciation of machinery and farm buildings, irrigation charges, land revenue, cess and other taxes, interest on working capital, miscellaneous expenses, payment to artisans; etc.; rent paid for lease, value of owned capital/assets including land, imputed rental value of owned land and imputed value of family labour. These are taken into consideration while calculating the cost of production and a reasonable margin of profit is added to it. Then the prices are recommended by the C.A.C.P. which are ultimately declared by the Government of India.

SHRI ALADI ARUNA *Alias* V. ARUNACHALAM: The hon. Minister narrated the various items which were examined by the Ministry of Agriculture for fixing the produced by the farmers. The point is that these items have not been properly examined by the Government. That is the vital point. No doubt, they are examined. But they are not examined by a scientific body. The Agricultural Prices Commission is not at all a scientific body to assess the prices of agricultural products. Will this Government come forward to constitute a scientific body to assess the value of agricultural products?

SHRI YOGENDRA MAKWANA: Sir, it is wrong to say that it is not a scientific body. The best of the available agricultural economists is heading this Commission and the Secretary also in an agricultural economist. Over and above there are farmers' representatives who look at the interests of the farmers and the prices of their produce are calculated on the basis of data received from different research centres and universities.

श्री राम चन्द्र विकल : माननीय मंत्री जी ने अपने उत्तर में यह बताया है कि किसानों की पैदावार के दाम इस नीति से तय किये जाते हैं कि उनको रीजनेबुल प्राफिट मिल जाये । मैं एक ही बात कहना चाहता हूं कि इस सीजन में रबी में गेहूं का भाव 165 रुपये क्विंटल किया गया । मुझे मालूम नहीं है कि इसका उत्तर देंगे कि नहीं देंगे, मैं पूछना चाहता हूं कि क्या वे समझते हैं कि किसी भी अर्थमेटिकल कैलकुलेशन से 165 रुपये क्विंटल गेहूं का भाव जो है, वह प्राफिटेबुल है और इसी में मैं यह भी दर्याफ्त करना चाहता हूं कि कृषि मूल्य आयोग जो है वह मूल्य निर्धारण के वक्त कुछ किसान आर्गेनाइजेशन्स जो हैं चाहे किसी भी पार्टी के हों उनसे सम्पर्क करेंगे कंसल्टेशन करेंगे और क्या संसद के दोनों सदनों के उन सदस्यों से भी सम्पर्क करेंगे, कंसलटेशन करेंगे जो कृषि में दिलचस्पी रखते हैं ।

श्री योगेन्द्र मकवाणा : जैसा मैंने पहले कहा कि प्राइस जो हम डिसाइड करते हैं वह कास्ट से ज्यादा होता है । जहां तक किसानों के प्रतिनिधियों का सवाल है, वे हैं । उनको बढ़ाकर 3 किया गया है । पहले एक था । एम० पीज० का जहां तक सवाल है, एम० पीज० प्राइस कमीशन से मिल सकते हैं अपने पाइंट आफ व्यू दे सकते हैं क्योंकि इस कमीशन के आगे कोई भी जिसको अपनी रजवात करनी है जिसको अपना व्यू पाइंट रखना है वह इससे मिलकर रख सकता है, उसको कह सकता है । इसमें कोई दिक्कत नहीं है । कमीशन को लिखने से वे व्यू पाईट देखते हैं रूबरू मिलना चाहें तो वे मिल सकते हैं। उनकी मीटिंग्स जगह-जगह पर होती हैं उसमें कोई भी आर्गेनाइजेशन या इंडिविजुअल मिलकर अपनी बात कर सकता है। लेकिन जहां तक प्राफिट की बात है I said that a reasonable margin of profit is added to it. But in terms of purely economic theory, profit is for

risk-taking by the entrepreneur and it cannot be computed as part of price. It is only when we decide the price that we come to know of it. Then, profit cannot be included in the cost because cost of agricultural production is varying from season to season and there are a number of other things which have to be taken into consideration, and looking from purely economic point of view, it is not possible. Even then, in order to provide incentive to our farmers, a reasonable margin of profit is added after deciding the cost of production of the agricultural product.

SHRI SHANKARRAO NARAYANRAO DESHMUKH: Madam, this is a very conspicuous case. Theoretically a thing may be true but practically it is not. We have heard from the hon. Minister a long list which will be taken into account for determining the price of agricultural produce. Theory is all right but in practice it is not possible. The cost of cultivation of the agricultural produce and the yield do not go together. They are never considered. Had that been the case, there would have been no poor farmers. The Agricultural Prices Commissions, their norms or principles or theory have proved futile. Therefore, I would like to ask from the Hon. Minister what are the effective solutions or ways and means for the solution so that this country's agricultural economy can be put on a sound footing and fair prices can be given to farmers and the middleman can be taken away from the society.

SHRI G. S. DHILLON: Madam, my colleague, the Minister of State, has already mentioned in detail the factors that are counted towards remunerative prices. Earlier, a few years back, many of these factors were not counted, as family labour, cost of implements, etc. Now they have been included. Besides that, there are some other norms. They are purely meant for fixing remunerative price in a true sense. And when a farmer is properly given remunerative price, it ultimately affects his economic condition. So, that is purely meant to improve his economic condition. I think the answer was quite in good details. Besides that, trends in market prices are also counted, and this I say in view of the question that the hon. Member asked. The item No. 7 and others of the criteria are: Effect on industrial cost structure; effect on general price level; effect on cost of living; international market, etc. These are all counted and that is on the basis of improved economy for the farming community.

SHRI VITHALBHAI MOTIRAM PATEL: The hon. Minister said that farmers are being paid remunerative prices. While formulating price index for industrial workers, you are taking into account the cost of T.V., refrigerator, lipstic; etc.; whereas for the price index for farmers, you are not taking into account the other requirements of the farmers. Would these other requirements of the farmers be also taken into consideration? Then, the rate of electricity in Gujarat is much higher than in Punjab and Haryana. So, the price you fix is not remunerative at least in Gujarat. May I know from the hon. Minister whether further requirements of farmers will be taken into account or not?

SHRI YOGENDRA MAKWANA: When I say 'terms of trade', it is the price paid and the price received by the farmer. Commodities which are consumed by farmers are taken into consideration. The list is very exhaustive but for the information of the hon. Members, I would read it out. These are the commodities purchased by the farmers. Cycles, paper and paper products, tan and finished leather, tobacco; textiles; drugs and medicines, cosmetics; soap and detergents, metal products; utensils; edible oils; sugar; salt, kerosene; coal, electricity and other services. Then for intermediate consumption: fertilizers, services electricity, insecticides, diesel, oil-cakes, drugs and medicines. And for capital formation, cement,

transport equipment, machinery and machine tools, iron and steel and ferrow alloys. (*Interruptions*). All these are considered. I am giving this list because the hon. Member wanted to know as to what is included. When I talk of terms of trade, the prices of commodities consumed and used by the farmer are, taken nto consideration. Therefore, it is wrong to say that so many items that the farmers consume, are not taken into consideration. He talked of TV and radio. Everything is taken into consideration. Reference to all these items were added in March 1980. Before that, it was not taken into account. But in March 1980, it was added and thereafter all these items are taken into consideration. There is an exhaustive list of prices received; but I am not reading it because it will take a long time.

ठाकुर जगतपाल सिंह : आदरणीय उपसभापति महोदय, मैं आदरणीय मंत्री जी से पूछना चाहता हूं कि हमारी एग्रीकल्चरल इकोनोमी में पूरे देश में 5 तरह का लैंड है । पंजाब, बिहार, यू० पी० में इनपुट्स कम लगते हैं और प्रोड्यूस ज्यादा होती है । आप छत्तीसगढ़ में जाइये इनपुट्स ज्यादा लगेंगे प्रोड्यूस कम होगी । लैंड प्राइसेज यू० पी०, पंजाब में ज्यादा हैं उसका इंट्रेस्ट ज्यादा लगेगा लेकिन छत्तीसगढ़ में प्राइसेज कम हैं।

तो क्या मंत्री महोदय मुझे बता सकेंगे कि जो प्राइस फिक्सेशन हुई है, वह क्या सब रीजंस की कास्ट लेकर, एवरेज निकाला गया है या बिहार, पंजाब इस एरिया से निकाल लिया गया है, पहली बात ?

दूसरी बात मैं आपसे पूछना चाहता हूं, एग्रीकल्चरल इकानोमी में सब से बड़ी बात यह है कि इंडस्ट्री में तो आप सैलिंग प्वाइंट पर प्राइस फिक्स करते हैं और एग्रीकल्चरल इकानोमी में आप प्रोडक्शन प्वाइंट पर करते हैं । आप क्यों नहीं इंडस्ट्री में भी प्रोडक्शन प्वाइंट पर केलकुलेट करके करते ? इससे इनपुट्स की प्राईसस आटोमेटिकली गिर जाएगी और एग्रीकल्चरल इकानोमी को एडवांटेज मिलेगा । मेरे ये दो सवाल है ।

श्री योगेन्द्र मकवाणा : मैडम, जहां तक रीजनल प्राईस का ाल है, यह जो पेपर मैंने इस हाउस में रखा है; एग्रीकल्चरल प्राइस पालिसी लांग-टर्म पर्सपैक्टिव, उसके पेज नं० 18, 19 पर बहुत विस्तार से हमने रीजनल प्राइसेज फिक्स नहीं करने का कारण दिया है । वह पासीबल नहीं है क्योंकि इस देश में 127 एग्रो-क्लाइमेटिक जोन हैं और उनमें प्रोडक्शन वेरी होता है, कमाडिटीज वेरी होती हैं, बहुत सी चीजें होती हैं । इसलिए नेशनल तौर पर उसको तय करना पड़ता है, खास करके मेजर प्रोड्यूसिंग एरिया को ध्यान में रखते हुए।

जहां तक गेहूं की बात है कि हम पंजाब, हरियाणा, उत्तर प्रदेश और मध्य प्रदेश जैसे जो व्हीट प्रोड्यूसिंग एरियाज हैं, उसके लक्ष्य से लेकर उसकी प्राइसेज फिक्स करना चाहते हैं, लेकिन कोई ऐसी स्टेट है, जहां राईस ही होता है जैसे केरल और वहां गेहूं बोया जाए; तो उसकी कास्ट तो बहुत आएगी और वह कहे कि हमें यहां की कास्ट के मुताबिक उसका दाम मिलना चाहिए; तो वह मुनासिब नहीं है ।

इसलिए जोनल प्राइस फिक्स करना देश के हित में नहीं है और किसानों के हित में भी नहीं है ।

दूसरी बात यह भी है कि यह जो किसानों का उत्पादन है, उसको स्पेसिफिक बनाना है । एग्रो-कलाइमैटिक जोन के मुताबिक उसका ज्यादा से ज्यादा फायदा होगा, जिससे ज्य.. उत्पादन हो सके और उस पर खर्च कम आए, ऐसा क्राप उसको कल्टीवेट करना चाहिए और वह करने के लिए यह प्राइसेज फिक्स करने के समय यह सब चीजें देखी जाती हैं।

इसलिए रीजनल प्राइसेज जरूरी नहीं है।

जहां तक इंडस्ट्रियल प्रोडक्ट की बात कही गई है, इंडस्ट्रियल प्रोडक्ट का कोई एश्योरेंस नहीं है कि वह गवर्नमेंट पर्चेज करती है, वह तो मार्केट में जाए—In the case of industrial products, market forces operate. The law of demand and supply operates. The prices are decided by the law of demand and supply. It is not decided by the Government.

So far as agricultural prices are concerned, looking to the interests of the farmers, it is the Government which decides the prices and assures that they will procure the products.

SHRI JAGESH DESAI: Madam, in part (c) of the answer, it has been mentioned that the prices are fixed after taking into account the recommendations of the Commission for Agricultural Costs and Prices and the views of the State Governments. As regards the views of the State Governments, they are based on the suggestions made by the agricultural universities and, accordingly, recommendations are made to the Central Government. From my own experience and knowledge, I find that the price recommended by the State Governments is much higher than the one recommended by the Commission for Agricultural Costs and Prices. The price fixed by the Central Government is mostly on the basis of the recommendations of the Commission for Agricultural Costs and Prices. They do not take into account the recommendations of the State Governments and as such the farmers in many States are put to difficulties. For example, in the case of levy sugar, you have different prices in different States. In U. P., you are giving more price, whereas; in Maharashtra; the price is less. Therefore, I suggest that support price should be fixed on the basis of the cost of production in the various States, or, at least some kind of weightage should be given where the cost of production is more. I would like to know whether the Government will consider this.

SHRI YOGENDRA MAKWANA: While replying to the hon. Member earlier, I have said why we are not fixing regional prices. The question put by the hon. Member comes round to the same point. When he says that some margin should be given in the case of some areas, it means that it should be regional. But this is not possible.

SHRI JAGESH DESAI: What about sugar?

SHRI YOGENDRA MAKWANA: Levy sugar is a different issue. It is done by the State Governments.

The hon. Member comes from Maharashtra. There is a monopoly procurement of cotton. The Maharashtra Government is giving higher price than the price we declared for the farmers. That is open to the State Government in some cases, but it is not always feasible and it should not be because it creates imbalance and bickering among other regions. Therefore, the prices should be uniform so that the farmers know it and we declare it before the sowing season so that the farmer knows it well in advance as to what will be the crop which will fetch him more price so that they will go in for that crop only.

श्री राम चन्द्र विकल : उपसभापति जी, मेरे सवाल का जवाब तो आया नहीं। आपने कहा कि दोबारा पूछ लें, अब या तो आधे घंटे के लिए बहस द उनको, ?...(**व्यवधान**) देखिए मेरा साधारण सवाल था उसका कोई भी उत्तर नहीं आया या तो आधे घंटे के लिए बहस दीजिए या मुझे सवाल करने दीजिए ?

उपसभापति : आप डिसकशन मांग लीजिए।

श्री राम चन्द्र विकल : मैं मांग रहा हूं डिसक्शन, आप इजाजत दीजिए ?

उपसभापति : आप उसके लिए पहले नोटिस तो दीजिए।

*162. [*The questioner (Shri M. Kadharsna) was absent. For answer,* vide *col.,* 31-34 *infra.*]

Management Information System for Urban Water Supply and Sanitation

*163. SHRI KAPIL VERMA: Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) what steps Government have taken or propose to take to develop the Management Information System for Urban Water Supply and Sanitation;

(b) by when the National System is likely to be installed;

(c) the names of the places where this project is being implemented at present; and

(d) by when the Management Information System is likely to cover Lucknow and Kanpur cities of Uttar Pradesh?

THE MINISTER OF URBAN DEVELOPMENT (SHRIMATI MOHSINA KIDWAI): (a) to (d) A statement is laid on the Table of the House.

Statement

(a) A project team has been constituted by the Ministry of Urban Development in October, 1986 for implementation of a pilot project for the development of Management Information System for community water supply and sanitation.

(b) This will depend on the time taken by the State agencits to furnish complete town-wise data on urban water supply and sanitation.

(c) The pilot project referred to above would be tested in Bhopal Division of Madhya Pradesh State comprising seven districts, namely, Bhopal, Raisen, Vidisha, Sehore; Betul; Rajgarh and Hoshangabad.

(d) No definite time limit can be indicated at present. However, on the basis of the reports of field testing & subsequent enhancement of the testing systems, if necessary and based on the recommendations of the project team, the computerised management information system be made available to other water, supply and sanitation agencies, including those in U.P. for their use.

SHRI KAPIL VERMA: Will the hon. Minister clarify the concept of Management Information Service, how it is going to work, whether it would be a cost-effective method of urban water supply and cover the meximum area?

श्री बलबीर सिंह : मैडम, मंत्रालय में 14 अक्तूबर, 1986 को यह निर्णय लिया गया कि अर्बन वाटर सप्लायो एंड सेनोटेशन यह दिन-प्रति-दिन बहुत प्राब्लम होतो जा रहो है इसलिए इसमें एक पायलट प्रोजैक्ट बनाया जाए और पूरी इसको कंप्यूटराइज माध्यम से इसकी जानकारी होनी चाहिए। इसमें सब से पहले अभी मध्य प्रदेश में भोपाल डिवीजन को लिया गया है उसमें लगभग 7 डिस्ट्रिक्ट्स आते हैं और उसके अंतर्गत 49 टाउन्स आते हैं। मैडम, इसलिए, भी यह बहुत आवश्यक है कि आज के हालात में भी हम डे-टू-डे वाटर टेबल और वाटर सप्लायी कितनी हो रही है उसको हम एक ही जगह से जान सकते हैं, इसमें चाहे डोमैस्टिक या इंडस्ट्रियल के लिए हो, हमारे कितने वाटर टेप्स हैं प्राइवेट हैं, कितनी पापुलेशन है हम इसको करने जा रहे हैं और जहां तक आशा है यह जो हमारा भोपाल में सब से पहला पायलट प्रोजैक्ट बनने जा रहा है अक्तूबर, 87 में कंप्लीट हो जाएगा।